

INFORMATION LETTER

Not for
Publication

NATIONAL CANNERS ASSOCIATION

For Members
Only

No. 1358

Washington, D. C.

October 13, 1951

Release from Set-Asides

Canners seeking release from a set-aside order are directed by the basic regulation, DFO 2, to apply in writing to the Director, Fruit and Vegetable Branch, Production and Marketing Administration, USDA, setting forth "all pertinent facts, the nature of the relief sought, and justification therefor."

Although Section 8 of DFO 2 requires canners seeking "relief from hardship" to write only to PMA, it is advisable to send copies of such correspondence to the purchasing officer at either Chicago or Oakland, or both if appropriate, and to the Office of the Quartermaster General, attention Subsistence Branch.

If requests for release from set-asides are addressed in this manner, so that the agencies concerned are enabled to confer about this correspondence, the handling of the requests will be facilitated.

NPA Issues Amendment Clarifying Intent of M-25

The can order, M-25, was clarified by the National Production Authority with the issuance October 8 of Amendment 1, making clear that a canner may choose either of the base years 1949 or 1950 for each of the products he packs.

NPA said that the amendment was issued because there had been some misunderstanding in the industry over selection of base years.

NPA indicated that this provision has been considered by NPA to have been effective since issuance of the original can order in January. Thus, the amendment is retroactive in effect, and any canner who has selected one base year for all of his products may recompute his quotas for each product on the basis of his pack of that product during either 1949 or 1950.

It is pointed out in this connection that M-25 does not permit carryover of unused cans from the fourth quarter of 1951 into the first quarter of 1952,

(Please turn to page 346)

West Coast Lab Dedicated; Proceedings To Be Reported

Appropriate ceremonies marked the dedication of the new N.C.A. Western Branch Laboratory building in Berkeley, Calif., on October 12. On the preceding day, the N.C.A. Board of Directors acted on matters of Association business.

Proceedings of the Board meeting and details of the dedication ceremonies will be reported in the next regular issue of the INFORMATION LETTER, scheduled for issuance October 20.

FTC Issues Proposed Revision Of Grocery Trade Practices

The Federal Trade Commission made public October 10 a proposed revision of the trade practice rules for the grocery industry and scheduled a public hearing on the proposed rules November 1.

The proposed rules constitute a revision of the trade practice rules for the grocery industry as promulgated by FTC on March 14, 1932. The proposed revision has been under consideration for several years (see INFORMATION LETTERS of Feb. 11, 1950, page 99; March 11, 1950, page 119; and June 10, 1950, page 207).

(Please turn to page 346)

Defense Production Act

S. 2170, a bill to amend the so-called Capehart amendment to the Defense Production Act, was approved October 11 by the House Committee on Banking and Currency.

S. 2170 had been passed by the Senate on October 4. It was sponsored by Chairman Maybank and other members of the Senate Banking Committee as a compromise between the Capehart amendment and the President's request for repeal of the Capehart amendment. The bill was the subject of brief public hearings by the House Committee early this week.

Renegotiation Board Extends Time for Filing Statements

The new Renegotiation Board, created under provisions of the Renegotiation Act of 1951, took its first official action October 5 by granting an extension of time for filing financial statements under the Act.

The full text of the order, which was published in the *Federal Register* of October 10, follows:

"All persons having fiscal years ending prior to November 30, 1951, are hereby granted an extension of time to March 1, 1952, for filing the financial statement required of such persons by section 105(e)(1) of the Renegotiation Act of 1951."

An analysis of the Renegotiation Act of 1951, indicating in outline the extent to which canners' contracts with government agencies will be affected, was published in the INFORMATION LETTER of March 17, page 152.

Indicated Production Of Vegetables for Processing

The prospective 1951 tonnage of nine important vegetables for processing on October 1 was reported by the Bureau of Agricultural Economics this week at 2.6 percent above the previous estimated production, as of September 1. Included in the estimates are all processing crops regularly estimated by BAE except asparagus, cucumbers for pickling, open market purchases of kraut cabbage, and the fall crop of processing spinach.

The 1951 estimated production for the nine crops now totals 6.3 million tons, 29 percent above the 1950 production for the same crops, and 27 percent higher than the 1940-49 average production. Spinach and tomatoes show the greatest increases over 1950 production; spinach is up 44 percent, and tomatoes up 41 percent. Three crops show decreases from 1950; pimientos are 66 percent below last year's production, cabbage for kraut is down 12.5 percent, and beets are down 5.5 percent.

Details of the BAE report of October 10 are reported on page 347.

DEFENSE

Canning Machinery Industry Faces Shortage of Materials

Production of machinery for the canning industry faces a sharp reduction next year, the National Production Authority, U. S. Department of Commerce, has told the Canning Machinery Industry Advisory Committee.

The serious shortage of basic materials—steel, copper and aluminum—will make this reduction necessary in the first quarter of 1952, NPA said.

At a Committee meeting on October 5, members expressed concern over the prospective cuts in material allocations. There has no appreciable expansion in canning facilities in the U. S. since World War II, and most of canning machinery industry's output has been for maintenance and modernization purposes, the Committee said.

Less than five percent of the industry's production is for export. Fabrication of new machinery represents about 55 percent of production, and maintenance and repair items about 40 percent.

If cutbacks come, the manufacturers said they will use the allotted materials preferably to build maintenance and repair items. Any material left over would be utilized to build new units, industry spokesmen added.

Officials of NPA's Metalworking Equipment Division urged the canning machinery manufacturers to consider the acceptance of subcontracts for the production of machine tools to take up the slack caused by reduction of their normal production. One company making canning machinery is already building turret lathes, NPA said. Other companies could build component items such as gears if they could not build the whole machine tool units, officials said.

The canning machinery industry now has the capacity to handle machine tool subcontracts, and in view of forthcoming reductions of materials allotments, will soon have even more capacity, industry spokesmen said.

Since canning machinery manufacturers have indicated their willingness to accept machine tool subcontracts, NPA said that its Metalworking Division has a list of machine tool builders, showing their locations and the kind of tools they build, which the canning machinery builders can consult.

Can Order, M-25

(Concluded from page 345)

and cancels individual exemptions as of January 1, 1952.

Following is the text of Amendment 1 to M-25:

TITLE 32A—NATIONAL DEFENSE, APPENDIX

Chapter VI—National Production Authority, Department of Commerce

(NPA Order M-25, Amendment 1)

M-25—CANS

This amendment to NPA Order M-25, as last amended August 23, 1951, is found necessary and appropriate to promote the National Defense and is issued pursuant to the authority granted by section 101 of the Defense Production Act of 1950 as amended. In the formulation of this amendment, consultation with industry representatives was rendered impracticable because of the necessity for immediate action.

This amendment affects NPA Order M-25 as follows:

Section 6 (a) is amended in order to state more clearly that a packer has the right to select 1949 as his base year with respect to the packing of some products and 1950 as his base year with respect to the packing of other products.

Section 6 (a), as amended, reads as follows:

SEC. 6. *Restrictions on amount of cans that may be used for packing.* (a) This order, by previous amendments, required a packer, commencing with the second quarter of 1951, to choose as his base year for a particular product, either the calendar year 1949 or the calendar year 1950. Such requirement continues to apply to all packers. Any packer who has so chosen his base year for computing his permissible can quota for any particular product for a calendar quarter, and any packer who has not heretofore chosen but hereafter chooses a base year for such purpose, must predicate on his base year so chosen all computations required by paragraph (b) of this section for the fourth calendar quarter of 1951 and for all succeeding quarters through the third calendar quarter of 1952. Nothing in this paragraph shall be construed as preventing a packer from selecting as his base year, the calendar year 1949 as to some products packed during that year and the calendar year 1950 as to other products packed during such year.

(Sec. 704, 64 Stat. 816, as amended; 50 U. S. C. App. Sup. 2154)

This amendment shall take effect on October 8, 1951.

NATIONAL PRODUCTION AUTHORITY,

By JOHN B. OLVERSON,
Recording Secretary.

Parity Pass-Through

Applicability of the parity pass-through provisions of the GCPR and CPR 22 has been extended by the Office of Price Stabilization to include products of the territories and possessions even though parity is not calculated for those products. The amendments are Amendment 20 to GCPR and Amendment 31 to CPR 22, issued October 10.

The principal product affected by these amendments is sugar. Prior to the amendments, processors were able to pass through increased prices paid to sugar producers on the mainland but not for sugar grown in Hawaii, Puerto Rico, and the Virgin Islands.

Amendment 20 to the GCPR also makes provision for calculating parity pass-through on new processed farm products.

Walter C. Skuce Leaves NPA

Walter C. Skuce has resigned as assistant administrator of the National Production Authority, in charge of production controls, to return to his position as manager of the Transportation Products Division of the Owens-Corning Fiberglas Co., Toledo, Ohio. Mr. Skuce joined NPA in December, 1950, to develop the Controlled Materials Plan. He was succeeded by William C. Truppner.

Grocery Trade Practice Rules

(Concluded from page 345)

Members of the grocery industry, FTC said, are "persons, firms, corporations and organizations engaged in marketing one or more products to or in the grocery trade, and include manufacturers, brokers, wholesalers, and retailers of such grocery products."

Purpose of the proposed rules, FTC continued, "is to provide for the elimination and prevention of harmful trade practices in order that high standards of fair trade practices may be maintained and the purchasing public, as well as the industries and trades concerned, may be protected."

All persons or concerns engaged in marketing the products of the industry and all other interested or affected parties are afforded opportunity to present their views, suggestions, or objections regarding the proposed rules, either in writing or at the hearing to be held on November 1.

STATISTICS

Sweet Corn for Processing

The BAE October 1 indicated production of slightly under 1.2 million tons of sweet corn for processing in 1951 shows a decline of slightly more than 2 percent from the September 1 estimate. This will place the 1951 tonnage about 23 percent above the 1950 production and 4 percent above the 1940-49 average.

New York, with 22 percent less production indicated, is the only state showing a significant decrease from 1950. Two other states, Delaware and Maryland, also showed decreases from 1950 production of 13 and 5 percent, respectively.

These estimates may not reflect the full effect of the freezing temperatures in the Midwest on September 28.

State	1950 Indi- cated (tons)	1950 Har- vested (tons)	1951 Indi- cated (tons)
Maine.....	17,900	20,400	27,100
New Hampshire.....	1,000	1,000	1,300
Vermont.....	1,300	2,100	3,200
New York.....	62,400	78,500	61,200
Pennsylvania.....	28,300	26,500	26,800
Ohio.....	23,300	26,900	34,100
Indiana.....	53,300	40,800	55,100
Illinois.....	172,800	154,900	185,600
Michigan.....	1,600	2,200	2,100
Wisconsin.....	154,000	146,000	245,000
Minnesota.....	195,000	202,000	218,400
Iowa.....	38,400	37,900	50,600
Nebraska.....	1,600	1,400	2,700
Delaware.....	10,200	11,500	10,000
Maryland.....	77,000	69,500	73,500
Virginia.....	800	1,000	1,800
Idaho.....	26,200	31,400	46,000
Utah.....	20,700	17,300	27,400
Washington.....	45,600	40,000	46,000
Oregon.....	30,900	33,700	51,500
Other states ¹	24,400	25,000	28,700
U. S. Total.....	986,700	974,200	1,197,100

¹ Ark., Colo., Mont., N. J., Okla., S. D., Tenn., Tex., and Wyo.

Lima Beans for Processing

The 86,490 tons of green lima beans indicated for canning and freezing in 1951 is 7 percent above 1950 production but 6 percent less than the record crop of 1949, according to BAE. Indicated production in 1951 is down from 1950 production in the eastern states but is up in the Midwest and western states.

Largest production gains are in Wisconsin, up 1,890 tons for a gain of 57 percent over 1950, and in Michigan, up 58 percent over a year ago (730 tons). California shows the largest

tonnage increase over 1950, with 5,380 tons or 22 percent. Significant decreases in the indicated production of 1951 occur in Maryland, down 1,200 tons (32 percent) from 1950 production; New Jersey, down 2,260 tons (14 percent); and Virginia, down 450 tons (18 percent).

State	1950 Indi- cated (tons—shelled)	1950 Har- vested (tons)	1951 Indi- cated
New York.....	1,170	2,770	2,700
New Jersey.....	6,120	9,020	7,700
Pennsylvania.....	2,250	2,520	2,400
Ohio.....	210	350	270
Michigan.....	1,230	1,250	1,980
Wisconsin.....	3,180	3,290	5,180
Delaware.....	9,350	15,610	10,450
Maryland.....	4,000	3,720	2,520
Virginia.....	3,360	2,540	2,090
Washington.....	2,530	1,840	1,900
California.....	24,310	24,620	30,000
Other states ¹	14,800	12,970	13,180
U. S. Total.....	72,600	80,500	86,490

¹ Ark., Colo., Ga., Idaho, Ill., Ind., Iowa, Kans., Minn., Mo., Okla., Ore., Tenn., and Utah.

Pimientos for Processing

October 1 reports indicate that rains in the main pimiento producing areas of Georgia came too late to help the crop, according to BAE. The indicated 1951 production of 15,300 tons on October 1 is the same as was estimated September 1, and is only about one-third as large as the 1950 crop, although 14 percent above average. The prospective yield per acre is lower than that harvested in any year since 1941. Light harvesting is expected to continue until frost from the plants that survived the drought.

Tomatoes for Processing

Total 1951 production of tomatoes for processing was estimated by BAE on October 1 at an all-time high of 3.9 million tons, 5 percent above the September 1 estimate and 41 percent above 1950 production. It is also 14 percent above the production for the previous record year, 1946.

The only major tomato producing state to show a decline from last year's production was New York, down 7.4 percent. The estimated production for Indiana is up 61.5 percent and for California up 74 percent over 1950.

Part of the increased production this year is the result of higher average yields—8.4 tons per acre this year as compared with 7.5 tons in 1950. For the country as a whole, September weather was reported very favorable

for the growth and harvesting of the crop in almost all of the late producing states.

State	1950 Indicated (tons)	1950 Harvested (tons)	1951 Indicated (tons)
New York.....	139,400	183,600	170,000
New Jersey.....	225,000	261,000	325,500
Pennsylvania.....	150,000	159,600	188,000
Ohio.....	162,000	156,600	159,800
Indiana.....	338,000	331,500	535,500
Illinois.....	64,200	79,000	90,800
Michigan.....	65,500	59,900	68,000
Wisconsin.....	4,300	5,900	8,000
Iowa.....	7,400	10,700	8,900
Missouri.....	9,800	9,600	21,000
Delaware.....	78,000	40,300	43,900
Maryland.....	223,300	225,700	248,400
Virginia.....	73,300	77,800	99,000
S. Carolina.....	3,600	3,600	8,100
Florida.....	12,600	14,900	24,000
Kentucky.....	4,400	3,600	5,200
Tennessee.....	4,600	10,300	8,800
Arkansas.....	9,100	14,100	26,500
Oklahoma.....	2,000	2,200	2,400
Texas.....	36,800	36,800	35,200
Colorado.....	22,800	20,100	21,000
Utah.....	69,000	63,600	102,500
California.....	936,000	959,100	1,697,500
Other states ¹	17,400	17,900	16,300
U. S. Total.....	2,658,500	2,747,400	3,884,300

¹ Ala., Ariz., Conn., Ga., Idaho, Kans., La., Minn., Miss., Nebr., N. M., N. C., Ore., Wash., and W. Va. ² Sum of estimates by seasonal groups.

Beets for Canning

Indicated production of beets for canning as of October 1 is 164,900 tons, according to BAE. This is 5.5 percent below the 174,500 tons harvested in 1950 but is 28 percent above the average of 129,100 tons for the 1940-49 period.

The October 1 indicated yield is 9.16 tons, as compared with 9.14 tons obtained last year. Improvement in yield prospects during September in Wisconsin of half a ton per acre more than offset less favorable prospects in New York. However, in all important states, the October 1 indicated yields are above average.

State	1950 Indi- cated (tons)	1950 Har- vested (tons)	1951 Indi- cated (tons)
New York.....	49,500	44,100	38,500
New Jersey.....	7,200	7,200	8,800
Michigan.....	9,000	10,600	9,600
Wisconsin.....	64,800	71,000	60,700
Oregon.....	20,000	24,000	27,300
Other states ¹	13,390	17,600	11,000
U. S. Total.....	165,890	174,500	164,900

¹ Calif., Colo., Ill., Ind., Iowa, La., Me., Md., Minn., Miss., Ohio, Pa., Tenn., Tex., Utah, and Wash.

General Crop Report

BAE reported in its General Crop Report, covering October 1 conditions, that slight improvements over the September 1 estimates occurred for all hay, buckwheat, rice, sorghum grain, sugarcane, sugar beets, hops, peaches, pears, grapes, cranberries, pecans, and burley and flue-cured types of tobacco. Prospects declined for corn, cotton, spring wheat, oats, barley, flaxseed, dry beans, soybeans, potatoes, sweet potatoes, and peanuts. For winter wheat, rye, dry peas, cherries and apricots, the September 1 estimates are unchanged.

BAE reported that 1951 production of the following important crops will decline from 1950 in the percentages indicated: Corn one percent, all wheat 3.1 percent, oats 6.3 percent, barley 15.6 percent, potatoes 23.4 percent, sweet potatoes 33.9 percent, soybeans 5.6 percent, and sorghum 30.8 percent.

SUPPLIES

Shipments of Metal Cans

Shipments of metal cans for fruits and vegetables, including juice, amounted to 175,929 short tons of steel during July as compared with 117,763 tons during June and 158,403 tons during July of last year, according to a report by the Bureau of the Census, U. S. Department of Commerce. Shipments of cans for meat, including poultry, amounted to 9,474 short tons of steel during July as compared with 11,000 tons during June. Shipments of cans for fish and sea food amounted to 9,057 tons of steel during July.

	Jan. through July 1950	1951 (in short tons of steel)
Fruit and vegetable (including juice).....	519,885	610,391
Fish and sea food.....	65,231	(a)
Meat, including poultry....	(a)	88,875

(a) Total not given to avoid disclosing figures for individual companies.

Shipments of Glass Containers

Shipments of wide-mouth glass containers for food amounted to 2,658,851 gross in August as compared with 2,326,366 gross in July and 3,374,361 gross in August of last year, according to a report by the Bureau of the Census, U. S. Department of Commerce. Shipments of narrow-neck food containers amounted to 1,124,883 gross in August as compared with

738,371 gross in July and 1,170,114 gross in August of last year.

	Jan. through Aug. 1950	1951 (quantities expressed in gross)
Wide-mouth food (including fruit jars and jelly glasses).....	18,985,438	18,622,440
Narrow-neck food.....	7,077,685	7,897,947
Beverage, nonreturnable.....	(a)	133,912

(a) Total not given to avoid disclosing figures for individual companies.

MEETINGS

Texas Canners Association

The annual meeting of the Texas Canners Association will be held November 5 instead of December 5, as erroneously reported last week. The meeting will be held at the Casa de Palmas Hotel in McAllen.

Forthcoming Meetings

- October 25-26—National Pickle Packers Association, Annual Meeting, Sheraton Hotel, Chicago
- October 25-27—Florida Canners Association, 20th Annual Convention, Palm Beach Biltmore Hotel, Palm Beach
- October 30-31-November 1—Northwest Branch, National Canners Association, Annual Meeting of Advisory Board, together with 35th Annual Meeting, Association of Pacific Fisheries, Empress Hotel, Victoria, B. C.
- November 2—Illinois Canners Association, Annual Convention, Bismarck Hotel, Chicago
- November 3—Texas Canners Association, Annual Meeting, Casa de Palmas Hotel, McAllen
- November 5-6—Iowa-Nebraska Canners Association, 50th Annual Convention, Hotel Ft. Des Moines, Des Moines, Iowa
- November 9—Ozark Canners Association, Fall Meeting, Colonial Hotel, Springfield, Mo.

- November 12-13—Wisconsin Canners Association, 46th Annual Convention, Schroeder Hotel, Milwaukee
- November 12-14—Grocery Manufacturers of America, Annual Meeting, New York City
- November 15-16—Indiana Canners Association, Annual Convention, French Lick Springs Hotel, French Lick Springs
- November 19-20—Pennsylvania Canners Association, Annual Convention, Penn Harris Hotel, Harrisburg
- November 26-27—Michigan Canners Association, Fall Meeting, Pantlind Hotel, Grand Rapids
- November 29-30—Tri-State Packers Association, 45th Annual Meeting, Benjamin Franklin Hotel, Philadelphia
- December 4—Maine Canners Association, Annual Meeting, Falmouth Hotel, Portland
- December 5—Minnesota Canners Association, Annual Convention, Hotel St. Paul, St. Paul
- December 6-7—Association of New York State Canners, Inc., 66th Annual Convention, Hotel Statler, Buffalo
- December 6-7—Georgia Canners Association, Annual Meeting, Hotel DeBoto, Savannah
- December 11-12—Ohio Canners Association, Annual Convention, Deschler-Wallick Hotel, Columbus
- January 3-4—Northwest Canners Association, Cutting and Technical Sessions, Multnomah Hotel, Portland, Ore.
- January 10-11—Canners League of California, Annual Sample Cutting, Fairmont Hotel, San Francisco
- January 16-18—Canadian Food Processors Association, Annual Convention, Chateau Frontenac, Quebec, P. Q.
- January 17-18—National Pickle Packers Association, Winter Meeting, Roosevelt Hotel, New York City
- January 19-23—Annual Conventions of National Canners Association, National Food Brokers Association, and Canning Machinery & Supplies Association, Atlantic City, N. J.
- February 5-6—Minnesota Canners Association, 5th Annual Canners' and Fieldmen's Short Course, Hotel Radisson, Minneapolis
- February 14-15—Ozark Canners Association, 44th Annual Convention, Colonial Hotel, Springfield, Mo.
- March 6-7—Utah Canners Association, 40th Annual Convention, Hotel Utah, Salt Lake City
- March 13-14—Northwest Canners Association, Annual Meeting, Gearhart Hotel, Gearhart, Ore.
- March 17-18—Canners League of California, Annual Directors Conference, Santa Barbara
- March 19-21—Tri-State Packers Association, Spring Meeting and Canners School, Lord Baltimore Hotel, Baltimore, Md.

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